

*Keep this addendum as a reference throughout
the year along with the
It's Your Choice book, ET-2128.*

Deductible HMO - Deductible Standard Plan

CONTENTS:

- Rates
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2005

WISCONSIN PUBLIC EMPLOYERS' GROUP HEALTH INSURANCE
(FOR PARTICIPATING LOCAL GOVERNMENT EMPLOYEES AND ANNUITANTS)

ET-2158 (REV 11/2004)

**2005 LOCAL EMPLOYEE MONTHLY RATES:
DEDUCTIBLE HMO OPTION-- DEDUCTIBLE STANDARD PLAN**

LOCAL EMPLOYEE GROUP HEALTH INSURANCE MONTHLY RATES FOR 2005	NON-MEDICARE RATES <small>RATES APPLY ONLY IF NO FAMILY MEMBERS ARE ELIGIBLE FOR MEDICARE</small>		MEDICARE RATES <small>RATES APPLY IF AT LEAST ONE INSURED FAMILY MEMBER IS ELIGIBLE FOR MEDICARE</small>		
	SINGLE/NON- MEDICARE	FAMILY/NON- MEDICARE	SINGLE MEDICARE	FAMILY MEDICARE - 2*	FAMILY MEDICARE - 1*
STANDARD PLAN: DANE ¹	897.60	2188.30	354.40	675.20	1289.90
STANDARD PLAN: MILWAUKEE ²	970.80	2371.30	354.40	675.20	1371.20
STANDARD PLAN: WAUKESHA ³	970.80	2371.30	354.40	675.20	1371.20
STANDARD PLAN: BALANCE OF STATE ⁴	843.70	2053.50	354.40	675.20	1223.00
DEDUCTIBLE STATE MAINTENANCE PLAN	592.00	1414.10	NA	NA	NA
ATRIUM HEALTH PLAN	527.70	1300.80	461.70	911.10	977.10
COMPCAREBLUE - AURORA/FAMILY	419.50	1030.30	353.30	694.30	760.50
COMPCAREBLUE NORTHEAST	437.20	1074.50	368.20	724.10	793.10
COMPCAREBLUE NORTHWEST	454.50	1117.80	383.10	753.90	825.30
COMPCAREBLUE SOUTHEAST	453.60	1115.50	382.20	752.10	823.50
DEAN HEALTH PLAN	324.10	791.80	271.80	531.30	583.60
GHC-EAU CLAIRE	500.70	1233.30	414.20	816.10	902.60
GHC-SOUTH CENTRAL	348.50	852.80	287.40	562.50	623.60
GUNDERSSEN LUTHERAN	441.40	1085.10	290.90	569.50	720.00
HEALTH TRADITION	448.20	1102.10	374.70	737.10	810.60
HUMANA-EASTERN	488.50	1202.80	404.00	795.70	880.20
HUMANA-WESTERN	525.70	1295.80	435.00	857.70	948.40
MEDICAL ASSOCIATES HMO	378.70	928.30	286.80	561.30	653.20
MERCYCARE HEALTH PLAN	356.30	872.30	293.90	575.50	637.90
NETWORK-FOX VALLEY	443.90	1091.30	368.70	725.10	800.30
PHYSICIANS PLUS	334.10	816.80	280.40	548.50	602.20
PREVEA HEALTH PLAN	426.70	1048.30	356.50	700.70	770.90
UNITEDHEALTHCARE (formerly Touchpoint)	385.20	944.60	317.90	623.50	690.80
UNITY-COMMUNITY	412.20	1012.10	343.50	674.70	743.40
UNITY-UW HEALTH	332.90	813.80	276.80	541.30	597.40

Standard Plan rates are determined by the employer county or the retiree county of residence.

STANDARD PLAN AREA INCLUDES THE FOLLOWING:	¹ DANE: Dane, Grant, Jefferson, LaCrosse, Polk, St. Croix
	² MILWAUKEE: Milwaukee county & <u>retirees living out of state</u>
	³ WAUKESHA: Kenosha, Ozaukee, Racine, Washington, Waukesha
	⁴ WISCONSIN: Balance of state

N/A = "not applicable". Medicare eligible participants automatically receive Standard Plan benefits.

*Medicare Family 1=One family member enrolled in Medicare Parts A & B;

Medicare Family 2=Two or more family members enrolled in Medicare Parts A & B.

Medicare premium rates apply only to subscribers who have terminated employment.

FREQUENTLY ASKED QUESTIONS AND THEIR ANSWERS

Deductible HMO

How is the Deductible HMO option different from Uniform Benefits, the Traditional HMO option?

Under the Deductible HMO option, you have an upfront deductible per calendar year of \$500 per individual, \$1,000 per family for medical services. That is, you pay the first \$500 in services per individual or \$1,000 per family. Once the deductible is met, you receive benefits as described in Uniform Benefits, for example, copayment on emergency room visits, coinsurance on durable medical equipment (DME), etc.

Are there any services that do not apply to the upfront deductible?

The deductible applies to all medical services. However, pharmacy claims do not apply, and continue to be subject to existing prescription drug copays.

How will I know when my deductible is met?

Until you meet your deductible, your HMO will send you an Explanation of Benefits (EOB) each time it processes a claim. The EOB will identify information about the claim, including the provider name, the amount billed, and the amount applying to your deductible, which you are responsible for paying the provider. Typically, you would pay your provider after you receive the EOB from your health plan. The EOB will allow you to track when your deductible is met.

Deductible Standard Plan

What is this change to the Deductible Standard Plan all about?

The redesign of the Wisconsin Public Employer's Classic Standard Plan into a comprehensive major medical plan called the Deductible Standard Plan will be effective on the date selected by your employer, on or after January 1, 2005. This program continues to offer participants the choice to see any provider, but there will be an overall, up-front deductible instead of the old major medical only deductible and coinsurance amounts.

This arrangement can be attractive to members who for the most part are comfortable with the plan's providers, but occasionally feel the need to utilize a particular specialist or desire coverage for routine care while traveling. In addition, members who have students away at college may choose the plan to offer comprehensive coverage to all family members, regardless of where they live.

Note that the Deductible Standard Plan uses elements of the Classic Standard Plan, and is separate from Uniform Benefits offered by the HMO's. All eligible employees and annuitants have the option to enroll in this new plan.

How is the Deductible Standard Plan different from the Classic Standard Plan?

Under the Deductible Standard Plan, when you receive services you will need to meet an up-front deductible per calendar year of \$500 per individual, \$1,000 per family for medical services. Once met, care is covered at 100% except for certain behavioral health or drug and alcohol services. You will not have to pay the old major medical deductible and coinsurance.

A few other benefits have been adjusted to keep the overall benefit level comparable. The lifetime maximum benefit will increase to an overall \$2,000,000 from \$250,000 major medical only, to more closely match Uniform Benefits.

A hospital pre-certification program is newly included. This program requires at least 48 hours prior notice of non-emergency hospital admissions, or notice within 48 hours after an emergency admission. If you do not notify Blue Cross Blue Shield of Wisconsin, their payment for your claim will be reduced by \$100. You will be responsible to pay that amount in addition to your deductible. This program does not apply if Medicare pays for your claims first, for example, if you are an annuitant over 65 years old.

Refer to the plan description page for more details. After the effective date your employer has chosen, the Classic Standard Plan will no longer be available to you.

How does the application of the overall deductible into the Standard Plan save money and improve services?

The Classic Standard Plan was implemented in the 1970s. Health insurance has changed dramatically since that time, and the Classic Standard Plan had become one of the few of its type remaining in the marketplace. With this change in applying an overall deductible, we hope our plan will become easier to understand and use, for members and providers, as it becomes more similar to other plans in the marketplace. Also, this change helps to keep the cost of administration down.

Why is the Deductible Standard Plan being implemented now?

Over the past few years the Group Insurance Board has been studying alternatives for our plans. One of the goals was to make the plan more cost-effective and affordable. Your employer is also concerned about this, and has selected this option to meet these goals.

Deductible State Maintenance Plan (SMP)

How are the Deductible SMP benefits different from the old SMP?

Like the Classic Standard Plan, SMP was a program with major medical deductible and coinsurance amounts based on a benefit design from the 1970's. Under the Deductible SMP option, you'll have an upfront deductible per calendar year of \$500 per individual, \$1,000 per family for medical services. Once met, care is covered at 100% except for certain behavioral health or drug and alcohol services. In addition, the lifetime maximum benefit will increase to an overall \$2,000,000 from \$250,000 major medical only. This change should make the plan easier to understand, and less expensive to administer.

A hospital pre-certification program is newly included. This program requires at least 48 hours prior notice of non-emergency hospital admissions, or notice within 48 hours after an emergency admission. If you do not notify Blue Cross Blue Shield of Wisconsin, their payment for your claim will be reduced by \$100. You will be responsible to pay that amount in addition to your deductible. This program does not apply if

Medicare pays for your claims first, for example, if you are an annuitant over 65 years old.

Has SMP's Network or Eligibility Requirements changed with this redesign to the Deductible SMP?

No. The Deductible SMP's network is identical to SMP's. Also, in order to be eligible for the Deductible SMP, you must reside in an SMP county, as under SMP.

Deductible Standard Plan

Administered by BlueCross BlueShield of Wisconsin



BlueCross BlueShield of
Wisconsin

An independent license of the BlueCross
and BlueShield Association

What we are

A comprehensive health plan that provides you with freedom of choice among hospitals and physicians. It is administered by BlueCross BlueShield of Wisconsin (BCBSWi) – a local company known for its service, convenience, automated processing, and the I.D. card that is recognized and accepted across the nation and around the world.

Prior Authorizations and/or Referrals

To ensure that services are covered, BCBSWi recommends that members or treating providers request prior authorizations. Services for which prior authorizations are usually requested include:

- New medical or biomedical technology
- New surgical methods or techniques
- Organ transplants
- Methods of treatment by diet or exercise
- Acupuncture or similar methods

Without an approved prior authorization, BCBSWi may deny payment. Additional information may be submitted for further review of the denial. The Deductible Standard Plan does not require referrals.

Exclusions and Limitations

- Physical exams requested by third parties (i.e. school, insurance, etc.)
- Services or supplies for custodial care or rest cures as defined by the contract
- Services, supplies or equipment that are not medically necessary, or that are experimental/investigational
- Eyeglasses, contact lenses or hearing aids or examinations for their prescription or fitting
- In vitro fertilization or artificial insemination
- Dental services except as specifically provided
- Organ transplants except as specifically provided
- Cosmetic surgery
- Reversals of sterilization
- Care covered by worker's compensation

Covered Services

- Hospital Services (Utilization Management requires prior notice of non-emergency admissions, or within 48 hours after an emergency admission)
- Physical, speech, and occupational therapy when necessitated by illness
- Maternity Care
- X-ray and laboratory services
- Office Calls
- Surgery
- Extended Care Facility (except custodial)
- Routine physical exams

Quality Initiatives

- State of Wisconsin calls are given the highest priority by all BCBSWi call centers, thereby increasing our telephone accessibility
- 100% of written inquiries will be resolved within 12 working days. A goal that has been met in both 1st and 2nd quarters of 2004.
- New measures have been implemented to improve timeliness and accuracy of claim processing.

This is intended as a general outline of benefits. It is not intended to be a complete description of coverage/exclusions and does not serve as a legal document. For a complete listing of benefits, limitations, and exclusions, please refer to the Benefit Handbook available through your personnel representative or call us at BlueCross BlueShield of Wisconsin.

Service Centers

**Customer Care hotline for
State of Wisconsin Employees**
1-800-755-6400
or www.bluecrosswisconsin.com

Northeastern
145 S Pioneer Rd.
Fond du Lac WI 54935

Southwestern
500 Hwy 51 East
Platteville WI 53818

Western
2270 EastRidge Center
Eau Claire WI 54701

We are able to answer questions about claims or benefits by letter or telephone. To provide more convenient service, walk-in customer service is also available at each service center.

Deductible Standard Plan Administered by BlueCross BlueShield of Wisconsin

***Non-Medicare:** Upfront deductible is \$500 individual, two per family, then you pay 20% until your out-of-pocket has been reached at \$2,000 individual, two per family, per calendar year. **Medicare:** Upfront deductible is \$500 individual, two per family. Thereafter care is covered at 100% per calendar year. **All Members:** \$2,000,000 lifetime maximum.

Health Benefits	Plan Pays*	Limitations
Physician	80%	Subject to deductible
Hospital	80%	365 days in semi-private room. Subject to deductible and pre-admission certification
Lab and X-rays	80%	Subject to deductible
Behavioral Health (Combined w/Alcohol & Drug Abuse)	80%	Subject to deductible, then: INPATIENT – Of first \$7,000 per calendar year or 120 days, whichever is less
<i>In 2005, annual dollar maximums for Behavioral Health services are suspended.</i>	80%	OUTPATIENT - Of first \$2,000 per calendar year.
	80%	TRANSITIONAL - Of first \$3,000 per calendar year.
Alcohol and Drug Abuse (Combined with Behavioral Health)	80%	Subject to deductible, then: INPATIENT – Of first \$7,000 per calendar year or 30 days, whichever is less.
<i>Annual combined benefit maximum is \$7000</i>	80%	OUTPATIENT - Of first \$2,000 per calendar year.
	80%	TRANSITIONAL - Of first \$3,000 per calendar year.
Emergency Room	80%	Subject to deductible
Extended Care Facility	80%	Subject to deductible. 120 days per admission less hospital days used. Excludes custodial care per the contract.
Vision Care	80%	Subject to deductible for illness/disease only.
Prescribed Medical Services/Supplies	80%	Subject to deductible
Transplants	80%	Kidney, cornea, bone marrow, parathyroid, musculoskeletal. Subject to deductible. Excludes all services related to non-covered transplants.
Chiropractic Care	80%	Subject to deductible
Ambulance	80%	Subject to deductible
Physical, Speech & Occupational Therapy	80%	Subject to deductible
Home Hospice Care	80%	Subject to deductible. 80 visits per six months.
Hearing Aid	0%	Not a covered benefit
Oral Surgery	80%	Same as physician
Infertility Services	0%	Not a covered benefit
Prescription Drugs		Separate PBM administration through Navitus. Annual out of pocket maximums do not apply.

Deductible - Standard Plan pays the percent of charge(s) shown above. Charge(s) means usual, customary, and reasonable (UCR) demands for payment for services or other items for which benefits are available, as determined by Blue Cross Blue Shield of Wisconsin (BCBSWi). In some cases, the amount BSBCWi determines as reasonable may be less than the amount billed by your provider. Those providers not listed in the BCBSWi State Standard Directory are not contractually obligated to write off the balance and, as a result, may choose to balance bill the subscriber. Should such a situation arise, 'hold harmless' protections apply. BCBSWi will protect the subscriber against collection agencies and a court of law. For more information on 'hold harmless' or for a list of participating providers in your area, please call a customer representative at the number above or visit our web site. If such a charge dispute arises, contact BCBSWi. If your provider is listed in the State Standard Plan Directory, charges over UCR will be written off.

Deductible State Maintenance Plan (SMP)



BlueCross BlueShield of Wisconsin

An independent license of the BlueCross and BlueShield Association



Administered by BlueCross BlueShield of Wisconsin

What we are

The SMP program provides maximum health care coverage over a broad range of benefits in a managed care environment. Each SMP participant selects a primary care clinic that directs the health care services of the participant. SMP is administered by BlueCross BlueShield of Wisconsin (BCBSWi) – a local company known for the service, convenience, automated processing, and the I.D. card that is recognized and accepted across the nation.

Referral Requirements – Retroactive referrals are not allowed.

A formal, BCBSWi approved referral is required from your primary care clinic (PCC) when:

1. Seeking care outside of the SMP network.
2. Seeking services from an in-network or out-of network behavioral health provider.

A referral is the written form from your Primary Care Clinic (PCC) requesting Behavioral Health services or any out-of-network service. You should not make an appointment until the request for the referral has been reviewed and approved. Notification of the decision will be sent to you and your PCC. It is ultimately the member's responsibility to make sure the referral is submitted and approved prior to seeking services.

Prior Authorization Requirements

To ensure that services are covered, BCBSWi recommends that members or treating providers request prior authorizations. Services for which prior authorizations are usually requested include:

- New medical or biomedical technology
- Methods of treatment by diet or exercise
- New surgical methods or techniques
- Acupuncture or similar methods
- Organ transplants

Without an approved prior authorization, BCBSWi may deny payment. Additional information may be submitted for further review of the denial.

Quality Initiatives

- State of Wisconsin calls are given the highest priority by all BCBSWi call centers, thereby increasing our telephone accessibility
- 100% of written inquiries will be resolved within 12 working days. A goal that has been met in both 1st and 2nd quarters of 2004.
- New measures have been implemented to improve timeliness and accuracy of claim processing.

Exclusions and Limitations

- Physical exams requested by third parties (i.e. school, insurance, etc.)
- Services or supplies for custodial care or rest cures as defined by contract
- Services, supplies or equipment that are not medically necessary, or that are experimental/investigational
- Eyeglasses, contact lenses or hearing aids or examinations for their prescription or fitting
- In vitro fertilization or artificial insemination
- Weight loss programs, services or supplies
- Care covered by worker's compensation
- Dental services except as specifically provided
- Cosmetic surgery
- Organ transplants except as specifically provided
- Reversals of sterilization

Covered Services – after deductible:

- Hospital services (Utilization Management requires prior notice of non-emergency admissions, or within 48 hours after an emergency admission.)
- Extraction and/or replacement of natural teeth when necessitated by an accidental injury
- Physical, speech, and occupational therapy when necessitated by illness
- Maternity care
- Surgery
- Office calls
- Ambulance
- Extended care facility (except custodial care)
- X-ray and laboratory services
- Routine physical exams
- Preventative dental and vision is available for children

Deductible State Maintenance Plan (SMP)

Administered by BlueCross BlueShield of Wisconsin

Upfront Deductible: \$500 per person, per calendar year; maximum of two per family. After deductible, plan pays 100%. The lifetime maximum benefit is \$2,000,000.

Health Benefits	Plan Pays	Limitations
Physician	100%	Selected primary physician or upon referral from primary physician. Subject to deductible
Hospital	100%	365 days in semi-private room, subject to deductible.
Laboratory and X-rays	100%	When requested by primary or referral physician, subject to deductible.
Behavioral Health (Combined with Alcohol & Drug Abuse)	100%	Subject to deductible INPATIENT – 120 days or \$6,300 per calendar year, which ever is less.
<i>In 2005, annual dollar maximums for behavioral health services are suspended.</i>	90%	OUTPATIENT - Of first \$2,000 per calendar year.
	90%	TRANSITIONAL - Of first \$3,000 per calendar year.
Alcohol and Drug Abuse (Combined with Behavioral Health)	100%	Subject to deductible
<i>Maximum for all services is \$7,000 per calendar year, combined.</i>	100%	NPATIENT – 30 days or \$6,300 per calendar year, which ever is less.
	90%	OUTPATIENT - Of first \$2,000 per calendar year.
	90%	TRANSITIONAL – Of first \$3,000 per calendar year.
Emergency Room	100%	Non-emergency requires referral. Subject to deductible
Extended Care Facility	100%	730 days per admission less hospital days used. Subject to deductible. Excludes custodial care as defined by the contract.
Vision Care	100%	For illness or disease only. Subject to deductible. Annual routine eye examines for children under age 18.
Prescribed Medical Services/Supplies	100%	Subject to deductible
Transplants	100%	Kidney, cornea, bone marrow, parathyroid, musculoskeletal. Excludes all services related to non-covered transplants. Subject to deductible.
Chiropractic Care	100%	Same as physician.
Ambulance	100%	Subject to deductible
Physical, Speech, Occupational Therapy	80%	Subject to deductible
Home Hospice Care	100%	80 visits per six months. Subject to deductible
Hearing Aid	0%	Not a covered benefit
Oral Surgery	100%	Same as physician.
Infertility Services	0%	Not a covered benefit
Preventive Dental Care	100%	Limited to children under age 12. Subject to deductible.
Prescription Drugs		Separate PBM administration through Navitus. Annual out-of-pocket maximums do not apply.

- Except as required by law, the Deductible SMP covers services only when provided by or referred by your primary physician, except emergency care. Refer to the SMP Provider Directory for physician, hospital and specialty care providers.
- Deductible SMP pays the percent of charge(s) show above.

This is intended as a general outline of benefits. It is not intended to be a complete description of coverage and does not serve as a legal document. For a complete listing of benefits, limitations, and exclusions please refer to the Benefit Handbook available through your personnel representative or call us at BCBSWI.

Service Centers			
Customer Care hotline for State of Wisconsin Employees 1-800-755-6400 or www.bluecrosswisconsin.com	Northeastern 145 S Pioneer Rd. Fond du Lac WI 54935	Southwestern 500 Hwy 51 East Platteville WI 53818	Western 2270 EastRidge Center Eau Claire WI 54701
We are able to answer questions about claims or benefits by letter or telephone. To provide more convenient service, walk-in customer service is also available at each service center.			